



Blue Dog Blueprint for Fiscal Reform

“Targeted Deficit Reduction Act of 2010”

Continuing down a path of excessive government spending not only means that future generations will be left with the burden of paying for today’s borrowing, but higher interest rates will make it even more expensive for families to purchase a home, finance an education or start a business.

Just like American families who make tough decisions every day, Congress must learn to live within its means.

The Targeted Deficit Reduction Act of 2010, legislation introduced by the Blue Dog Coalition under the leadership of Colorado Representative Betsy Markey, would take a significant step in the right direction by setting concrete goals for deficit reduction and compelling Congress to take action in order to meet those goals.

A critical component of the comprehensive Blue Dog Blueprint for Fiscal Reform, the Targeted Deficit Reduction Act of 2010 would:

- Establish targets for the next decade to stabilize the federal budget.
- Set three fiscal targets --- primary budgetary balance in 5 years (2015); full balance and 60% debt-to-GDP in 10 years (2020).
- Require the Congressional Budget Office (CBO) to report to Congress on the appropriate glide path and necessary annual deficit reduction amount to achieve the fiscal targets by Feb. 15 of each year.
- Require that with the annual budget resolution, the budget committee must provide instructions to reduce the deficit and will require the appropriate committees to return deficit-reducing legislation within 45 days.
- Create a plan to reduce the deficit by more than \$350 billion over 5 years.

Making the necessary cuts to the federal budget will not be easy, but a vital step is having a plan and each year setting the budget on a path to reach the required target. With the Targeted Deficit Reduction Act of 2010, the Blue Dogs are prepared to begin making the difficult decisions necessary to put the country back on a fiscally sustainable path.